



# NEW ORLEANS POLICE DEPARTMENT OPERATIONS MANUAL

## CHAPTER: 17.01

### TITLE: FISCAL MANAGEMENT

**EFFECTIVE: 01/14/2018**

**REVISED: 11/15/19**

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#### **PURPOSE**

The purpose of this Chapter is to set standards relating to administration, budgeting, purchasing, and procedures for the inventory and control of department-owned property.

#### **DEFINITIONS:**

**AFIN (Advantage Financial)**—Utilized for management of all grants, a computerized, networked, comprehensive governmental financial system that fulfills all basic accounting and financial management requirements. Specific functions AFIN can perform include, but are not limited to: budgeting, planning, expenditures, accounting, cash disbursements, revenue accounting, accounts payable, accounts receivable, journal vouchers, payroll accounting, cost accounting, federal aid management, project management, inventory control, closing, and financial reporting.

**BuySpeed**—The City of New Orleans's online purchasing system utilized for processing all accounts payable through transactions and creates purchase orders.

**Great Plains**—Now Microsoft Dynamics GP is the City of New Orleans full featured financial management/ERP software built on a scalable platform of Microsoft technologies. It is a software that manages and integrates finances, e-commerce, supply chain, manufacturing, project accounting, field service, customer relationships and human resources.

**Operational Readiness**—An operational status reflecting appropriate and sufficient care and cleaning, preventive maintenance, repair, work ability, and responsiveness.

**Pre-encumbered**—Funds committed in the form of an order, contract, salary or similar item that will become payable when goods are delivered or services rendered.

**Encumbered**—Funds, formerly pre-encumbered, committed for goods which have been delivered or for services which have been rendered and have become payable.

**Expended**—Funds, formerly encumbered, for which a check has been issued in payment.

**Uncommitted**—Funds available for expenditure.

## FISCAL MANAGEMENT OVERSIGHT

1. The Mayor of the City of New Orleans, the Chief Administrative Officer of the City of New Orleans and the Superintendent of Police have the ultimate authority and responsibility for the fiscal management of the New Orleans Police Department, including but not limited to:
  - (a) Coordination, supervision, review and approval of the development of the Annual New Orleans Police Departmental Operating Budget;
  - (b) Supervision of internal Departmental expenditures and related controls;
  - (c) Liaison with the Department of Finance, City of New Orleans; and
  - (d) Preparation of Cost Reports and/or Cost Projections associated with the various special events, or unforeseen special occurrences throughout the year.

## DIRECTOR OF BUDGET

2. The MSB - Budget Services Director is responsible and accountable to the Deputy Chief of MSB and the Superintendent of Police. The Director manages the Department's fiscal affairs through the efforts of the fiscal management staff which consists of a Chief Accountant, Junior Accountants, and Accountants. While having broad, generalized knowledge and abilities and typically working in concert, each member of the staff also specializes in the budgetary affairs of a specific Departmental organizational component. The senior Accountant handles all matters relating to non-general fund activities including state and federal grants.

## DEPARTMENTAL OPERATING BUDGET

3. The New Orleans Police Department shall prepare an annual Departmental Operating Budget Request. The Chief Administrative Officer provides guidelines and forms to the MSB - Director of Budget Services. The Director shall ensure the appropriate forms are distributed to each Bureau Chief and shall ensure the Department's collective budget request is completed consistent with the format, guidelines and timetable established by the Chief Administrative Officer.

## COMMAND STAFF PARTICIPATION

4. All senior command staff (Deputy Chiefs and Captains) shall participate in the budget preparation process. Each of the bureaus shall prepare program narratives for the approval of the Superintendent of Police which list:
  - (a) Their subordinate units and the purpose/mission of each unit;
  - (b) How each unit assists the Department in achieving its objectives; and
  - (c) Performance measures and a detailed request for enhancements including a justification for each.

## PURCHASING OF EQUIPMENT AND SUPPLIES

5. All purchasing shall be in compliance with **CAO Policy Memorandum No. 24 (R)** ([https://employee.nola.gov/documents/forms/policies-law/policies/no-24-\(r\)-services-and-movable-property-procuremen/](https://employee.nola.gov/documents/forms/policies-law/policies/no-24-(r)-services-and-movable-property-procuremen/)) which states the following:
  - (a) Purchase requests of \$100 to \$20,000 may be done on a no bid basis but must have three different vendor quotes.
  - (b) Purchase requests exceeding \$20,000 require a formal bid process.
  - (c) A 21 day written bid via the Department of Finance is required for purchases expected to cost more than \$20,000. Bids must be received by a specific time and date, and there is a formal bid opening. A contract is normally awarded to

the lowest bidder, and a purchase order is issued.

- i. Typically, the lowest bidding vendor is selected. The requirement to select the lowest bidder may be overcome, however, if the party requesting the goods or services can satisfactorily demonstrate the low bidder's inability to meet desired specifications.
- ii. The bid process may be averted if state contract vendors, or vendors who have been designated by State purchasing officials as the lowest cost providers of specific supplies, equipment, or services, are utilized.

## PERMISSION TO PURCHASE

6. To initiate a purchase, the Permission to Purchase Form (Form #104 – found at [NOPD.org](https://nopa.org) under Forms) shall be completed and approved through the chain of command and forwarded to the Director of Budget Services. Following the Director's approval, the Budget Services staff shall then effect the necessary BuySpeed entries and/or convey the request(s) to the Department of Finance.

## EMERGENCY PURCHASES OF EQUIPMENT AND SUPPLIES

7. Emergency purchases requiring bids shall be in compliance with **CAO Policy Memorandum No. 42 (R) and Policy Memo 119 (R)** (<https://employee.nola.gov/documents/forms/policies-law/policies/>) which states the following:
  - (a) The requirement of public advertisement may be waived in cases of extreme public emergency if such emergency is certified by the Mayor and a notice of the emergency is published within ten days in the City's official journal.
  - (b) The emergency must meet the defining criteria of R.S. 38:2211(6).
  - (c) For purchases costing more than \$20,000, a declaration of an emergency by Mayoral action only waives the requirement for advertisement. Bids still must be requested and the purchase awarded to the lowest bidder.
  - (d) Emergency rental of equipment shall be construed as an emergency purchase and shall be governed by the aforementioned provisions.
8. Whenever emergency purchases are contemplated, the Director of Budget Services shall be notified. The Director shall in turn contact the Bureau of Purchasing for guidance, assistance and notification.

## REIMBURSEMENT FOR EXPENDITURES

9. All request for reimbursement of out of pocket expenditures by employees for official entertainment or for the purchase of other items must be approved by the Superintendent of Police.
10. No employee is authorized to make any purchase on behalf of the department without first receiving written authorization from their Bureau Chief and the Superintendent of Police. If time and circumstances permit, the authorization shall be on an interoffice correspondence (Form #105).
11. Once an explanation is made, a Request for Reimbursement Form (Form #180 - found at [NOPD.org](https://nopa.org) under Forms) shall be completed and forwarded through the chain of command to the Superintendent of Police for approval. After approval by the Superintendent of Police, the Request for Reimbursement Form shall be distributed as follows:
  - (a) The original and one copy to the Management Services Bureau;
  - (b) One copy to Budget Services; and

- (c) One copy to the originating Bureau.

### **DEPARTMENT CREDIT CARDS**

12. A department credit card is for official use only. Members are prohibited from using department credit cards for personal use.
13. Only one Departmental credit card shall be issued to the Superintendent of Police by the Department of Finance. After each use, a report of the use and all original receipts shall be submitted to the Department of Finances.

### **SUPPLEMENTAL FUNDING**

14. Any shortfall in the Annual Department Operating Budget requiring additional appropriation of funding, regardless of precipitating events or factors, must be addressed via council ordinance.
15. To initiate a Petition for Supplemental Funding, the Director of Budget Services shall, at the direction of the Deputy Chief of MSB or the Superintendent of Police, prepare a detailed summary of the projected budgetary shortfall and the reason for the shortfall. The Director shall forward the approved summary to the Chief Administrative Officer for review.
16. Following review by the Chief Administrative Officer, a hearing will be held before the Council Budget Committee which will make a recommendation to the City Council. The City Council will approve or disapprove the request for additional funding.
17. Should an additional budget appropriation be approved, the City Council will pass an ordinance to that effect. The Chief Administrative Officer will then cause the Departmental Operating Budget to be amended in Great Plains.

### **COLLECTION, SAFEGUARDING, AND DISTRIBUTING CASH**

18. All NOPD units that maintain a cash account must either have:
  - (a) Approval by virtue of an ordinance passed by the New Orleans City Council, or
  - (b) Written approval or re-approval by the current Superintendent of Police.
19. The Department will collect, safeguard, and disburse cash in a fully transparent, documented and accountable manner.
20. Each Commander of a unit with an authorized cash fund must designate, in writing, a member responsible for acceptance or disbursement of cash.
21. Each unit with an authorized cash fund must maintain a balance sheet or ledger (written or computerized) that identifies balances, credits, debits, and the balance on hand. If the balance sheet or ledger is computerized, the member responsible for maintaining the cash account within each unit shall be responsible for backing up the computer data on a regular basis and storing the backed up data off-site.
22. Members must submit receipts or other documentation identifying funds spent from the cash account to the member responsible for maintenance of the account.
23. All expenditures from a unit's cash account must be approved by the unit Commander or his/her designee. Any expenditure from a unit's cash account in excess of \$500 must be approved by the Bureau Chief, the Superintendent of Police or his/her designee.

24. Each unit with an authorized cash account must submit a written quarterly accounting of the activity in the account. The person responsible for the maintenance of the account must submit the accounting report through his/her chain of command to his/her Bureau Commander. The report shall be in the form of a 105 indicating the beginning balance for the quarter, the ending balance for the quarter, the total expenditures, and the total deposits. The report shall also include a description of any unusual expenditure during the quarter. Finally, if there is a discrepancy in the accounting report, a detailed explanation accompanied by a plan to rectify the discrepancy must be included within the report.
25. The quarterly accounting shall be approved by the appropriate Bureau Chief by the last day of the first month of each quarter. Once approved by the Bureau Chief, the report shall be forwarded to the Director of Budget Services.

#### **INDEPENDENT AUDIT**

26. An independent audit shall be conducted at least every three years of all department accounts and finances of the New Orleans Police Department. All Departmental accounts are open for inspection by the City auditors. Departmental personnel shall provide full cooperation and assistance to the auditors.

#### **OPERATIONAL READINESS OF DEPARTMENT EQUIPMENT**

27. The Deputy Chief of the Management Services Bureau is responsible for ensuring all items not stored at the Special Operations Division facility as part of the SOD inventory are maintained in a state of operational readiness. Operational readiness inspections shall be performed at regular intervals established by the Deputy Chief of the Management Services Bureau.
28. For those items not under the immediate control of the Management Services Bureau, the Deputy Chief of the Management Services Bureau shall cause the operational readiness inspections to be conducted by a designated MSB supervisor, who will provide annual status reports.